UNITED STATES DISTRICT COURT FOR THE DISTRICT OF MASSACHUSETTS

ZIH Corp.,

Plaintiff,

v.

Paxar Corporation,

Defendant.

C.A. No.: 1:03-cv-12358-DPW

STIPULATION OF DISMISSAL

Pursuant to Fed. R. Civ. P. 41(a)(1), plaintiff ZIH Corp. ("ZIH") and defendant Paxar Corporation ("Paxar") hereby stipulate to the dismissal with prejudice of ZIH's complaint in this matter. ZIH agrees that it and/or its affiliates will not again assert U.S. Patent Nos. 5,813,343 and 5,860,753 against Paxar, Paxar Americas, Inc. and/or any affiliate thereof with respect to any products made, used, offered for sale or sold in the United States prior to July 7, 2005, whether or not any such activity continues thereafter.

Pursuant to Fed. R. Civ. P. 41(a)(1), counterclaim-plaintiff Paxar and counterclaim-defendant ZIH hereby stipulate to the dismissal without prejudice of Paxar's counterclaims in this matter.

In addition, Paxar Americas, Inc. filed Civil Action No. 3-03-417 in the Southern District of Ohio seeking a declaratory judgment against ZIH and Zebra Technologies Corporation ("the Ohio declaratory judgment action"). The Southern District of Ohio has transferred the Ohio declaratory judgment action to the United States District Court for the District of Massachusetts, which has been docketed as C.A. No. 1:05-cv-11233-DPW. Pursuant to Fed. R. Civ. P. 41(a)(1), Paxar Americas, Inc., ZIH, and Zebra Technologies Corporation hereby stipulate to the dismissal without prejudice of the Ohio declaratory judgment action and shall promptly file a stipulation of dismissal in that action.

The above-identified parties agree that each party will bear is own costs, expenses and attorneys fees incurred in this case and in the transferred Ohio declaratory judgment action.

IT IS SO ORDERED

This the <u>l</u>day of <u>luly</u> 2005.

Dated: July 7, 2005

s/ Jean Dudek Kuelper Jean Dudek Kuelper (pro hac vice) Steven J. Hampton (pro hac vice) Sandra A. Frantzen (pro hac vice) McAndrews, Held & Malloy Ltd. 500 W. Madison Street, 34th Floor Chicago, IL 60661 (312) 775-8000

Erik P. Belt Bromberg & Sunstein LLP Boston, MA 02110 (617) 443-9292

Attorneys for Paxar Corporation and Paxar Americas, Inc.

LIBA/1563980.1

Respectfully submitted,

s/ Douglas J. Kline Douglas J. Kline, BBO# 556680 Christopher W. Stamos, BBO# 633645 William A. Meunier (pro hac vice) Goodwin Procter LLP Exchange Place 53 State Street Boston, MA 02109 (617) 570-1000

Attorneys for ZIH Corp. and Zebra Technologies Corporation